

X INFORMATION

TAB SECTION: 7

X ACTION REQUIRED

DATE OF MEETING: 7/24/08

PREPARED BY: Whitcomb

DATE MATERIAL PREPARED: 7/16/08

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AGENDA ITEM: Department of Finance OSAE Report -- Discussion

ENCLOSURES:

- Letter from DMH to DOF, dated June 2, 2008
- Performance Audit – California Department of Mental Health Mental Health Services Act, May 2008

OTHER MATERIAL RELATED TO ITEM:

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ISSUE:

*Proposed Motions:*

- 1. The MHSOAC will complete a draft memorandum of understanding (MOU) with the Department of Mental Health (DMH), clearly outlining roles for both entities in key areas. This draft MOU will be brought before the MHSOAC for review in September 2008.*
- 2. MHSOAC staff will develop materials about the MHSOAC and its role. Staff will disseminate these materials to key staff at the Department of Finance (DOF) by October 2008.*

Pro

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- Role clarification between MHSOAC and DMH
- Will develop a working relationship with DOF

Discussion

The enclosed report from the Department of Finance (DOF) Office of State Audits and Evaluations (OSAE) was provided to DMH in May 2008. The DMH acknowledged this report in the enclosed letter to DOF, dated June 2, 2008. The report includes findings with respect to the following MHSa processes:

- Development and implementation
- Plan review and approval process
- Fund distribution process

The Mental Health Funding Committee met on July 15, 2008 to review this report. The co-chairs, Larry Poaster and Tom Green, may have additional information to share regarding the committee's discussion on this report.